

TO: WIB Directors
WIB Chairs
Chief Elected Officials

FROM: Craig E. Hartzer, Commissioner

DATE: July 9, 2002

SUBJECT: **DWD Communication 2000-13, Change 2**
Policy for Welfare-to-Work Eligibility Determination

RE: Welfare-to-Work Program

Purpose

To announce changes in Welfare-to-Work (WtW) eligibility and assure efforts are focused on those most needing assistance and to provide guidance for consistent local determination of Welfare-to-Work participant eligibility.

These changes to the Indiana WtW Eligibility Policy were made possible by a recent memo from Department of Labor Region 5 allowing greater flexibility in WtW services and eligibility. Of particular help to Indiana is the greater availability of youth services to the children of WtW enrollees. We anticipate that areas with strong WIA youth programs but low WtW spending will benefit most from this new flexibility.

Citation

“The Welfare to Work and Child Support Amendments of 1999,” in the Consolidated Appropriations Act for FY2000
USDOLITA Welfare to Work Questions and Answers <<http://wtw.doleta.gov/qsanda.asp>>

Rescission

DWD Communication 2000-13, Change 1

Content

Within the Welfare to Work program there are two separate categories of distinct eligibility criteria:

- Primary Eligibility, for hard-to-employ, long-term recipients of Temporary Assistance to Needy Families (TANF) and the noncustodial parents (NCPs) of assistance-dependent children, for whom most of the grant funds should be expended (although there is no longer a mandatory minimum for this category); and
- Other Eligibility, for TANF clients and other low-income individuals who have characteristics associated with long-term welfare dependence, for whom no more than 30% of the formula allocated grant funds may be spent.

It is necessary both to determine program eligibility under these provisions separately and also to track expenditures separately in order to assure compliance with the 30% expenditure limit.

A. The Primary Eligibility Provision, covering Hard-to-Employ TANF Recipients and Noncustodial Parents

To be eligible for the WtW program under this provision, a WtW client must currently fit one of the following three categories:

1. Long-term TANF recipients who have received assistance for at least 30 months (whether consecutive or not, whether cash or non-cash assistance) or who are within 12 months of reaching the TANF time limits.
2. Noncustodial parents who
 - are unemployed, underemployed, or having difficulty paying child support, and
 - have entered into a personal responsibility contract, and
 - have minor childrenwhose custodial parent is a long-term TANF recipient as defined in point 1 above or who are themselves eligible for or receiving TANF, food stamps, Supplemental Security Income, Medicaid, or Children's Health Insurance Program, or who received TANF during the preceding year.

Priority shall be given to NCPs whose minor child's custodial relative meets the requirements of #1 above.
3. Former TANF recipients who have exhausted benefits due to time limits (TANF exhaustees).

B. The Other Eligibility Provision, covering Persons with Characteristics of Welfare Dependence (the 30% Provision)

To be eligible for the WtW program for persons with characteristics associated with long-term welfare dependence (the 30% provision), a client must fit one of the following three categories:

1. Custodial parent with income below 100% of the federal poverty level, in accordance with HHS poverty guidelines.
2. Youth (aged 18 through 24) who has previously received foster care.
3. TANF recipient with significant barriers to self-sufficiency recognized by the local WIB, whether the benefit is cash or non-cash assistance.

C. Policy Definitions

The State of Indiana shall adopt the following minimum definitions for these four items: underemployed, having difficulty paying child support, personal responsibility contract, and significant barriers to self-sufficiency. However, any WIB desiring to localize these definitions to their own circumstances may do so.

1. Underemployed---anyone shall be deemed underemployed if his/her hourly take home pay from a single, full-time job is insufficient to support a family of four at a level above WIA defined self-sufficiency.
2. Having difficulty paying child support---any noncustodial parent (NCP) shall be deemed to be having difficulty paying child support if s/he has missed more than two monthly payments in the last six months.
3. Personal responsibility contract (PRC)---in order to be fully eligible for the WtW program NCPs must sign a PRC that at a minimum commits them to cooperate in
 - establishing paternity within 90 days,
 - paying child support,
 - providing non-financial support for their children, and
 - training (to be delineated in the PRC) to improve their employment and earning.
4. Significant barriers to self-sufficiency---the following shall be considered as suggestive of welfare dependence and therefore as indicative of barriers to self-sufficiency:
 - (a) Poor work history (fewer than 13 consecutive weeks of full-time employment in the last 12 months),
 - (b) Teenage pregnancy (whatever the gender or age of the individual),
 - (c) Disability (as defined by the Americans with Disabilities Act),
 - (d) High school drop-out,

- (e) Not married at birth of first child,
- (f) Child of welfare recipient,
- (g) Limited English proficiency,
- (h) Felony arrest,
- (i) Substance abuse,
- (j) Victim or perpetrator of domestic violence,
- (k) Welfare recipient within 2 years of birth of first child,
- (l) Recipient of any form of public assistance within the last two years, or
- (m) Other documented characteristics locally suggestive of welfare dependency under criteria previously established by the local WIB.

Any Workforce Investment Board (WIB) desiring to localize these minimum definitions may do so by notifying the State Welfare-to-Work contact in writing specifying the alternative definition(s). No prior waiver is necessary. Otherwise, these minimum definitions shall be policy for each Workforce Service Area (WSA) in the State of Indiana.

D. Changes in Category of Eligibility

Because WtW eligibility criteria were radically altered in the "The Welfare to Work and Child Support Amendments of 1999," in the Consolidated Appropriations Act for FY2000, it may be appropriate to reclassify a number of WtW clients from one category of eligibility to the other. For instructions on the process of reclassification (including retroactivity), consult the USDOL's WtW Q&A on eligibility, question E22, at the following website:
<http://wtw.doleta.gov/q&a/eligibility.htm>

It should be noted that expenditures made on a client under the 30% provision prior to the effective date of reclassification remain under that provision even if the client is reclassified. Only expenditures from the effective date of reclassification may be charged to the new classification.

E. Children of Clients

Minor children of WtW clients may also be served to pursue their educational and employment goals with WtW funds. As part of a "whole family" approach, youth (under the age of age 18) may be served as the child of a parent who is himself/herself eligible for the WtW program under either the provisions at 20 CFR 645.212 or at 645.213 of the WtW regulations, and who is enrolled in and being served by a WtW program. (See AA34 of the Federal WtW Questions and Answers. <<http://wtw.doleta.gov/documents/allowable.asp>>) They should be classified and expenses should be reported under the same classification as their WtW parent. Services are not independent of the parent but provided based on the parent's current status. Any services they receive must be allowable under the provisions of the WtW program. (See 20 CFR 645.220 and DWD Communication 99-22, rev. 1.)

The child should not be a separate case or have a separate file from the parent nor be counted in performance outcomes.

F. Eligibility Duration

Once a client is determined eligible for WtW services, the WtW service provider is not required to re-determine eligibility even if the client's circumstances change. If for example a client ceases to receive TANF because of increased earnings, s/he may continue to receive WtW assistance. Additionally, eligibility is portable. A client determined to be eligible in one WSA will be considered eligible even if s/he moves to another WSA.

Effective Date

January 11, 2001

Ending Date

June 30, 2003

Action

Grantees shall inform all appropriate staff of the changes in WtW program eligibility criteria. WIB staff shall coordinate with TANF caseworkers a review of all TANF recipients to determine which are eligible for WtW under these eligibility criteria. Determination of eligibility must be based on current information in the client file.

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